

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

Deputy Directorate of Intelligence

23 September 1982

MEMORANDUM

**WEST GERMAN POLITICAL PARTY FOUNDATION LABOR
ACTIVITIES IN THE CARIBBEAN BASIN**

Summary

West German political parties and their political action affiliates largely engage in supporting democratic political groups around the world. To this end, the foundations carry out traditional development aid projects and are heavily involved in helping to organize "democratically-inclined" political parties and labor unions. [REDACTED]

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Party Foundation Activities

The four foundations and their respective parties are:

- Konrad Adenauer Foundation - Christian Democratic Union
- Friedrich Ebert Foundation - Social Democratic Party

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* This memorandum was prepared by [REDACTED] West Europe Division, Office of European Analysis. It was coordinated with Office of African and Latin American Analysis. It was requested by Robert W. Searby, Deputy Undersecretary for International Affairs, Dept of Labor. Research was completed on 7 September 1982. Comments and questions are welcome and should be addressed to [REDACTED] Chief, West Europe Division, EURA, [REDACTED]

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-- Friedrich Naumann Foundation - Free Democratic Party

-- Hanns Seidel Foundation - Christian Social Union

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The Ebert and Adenauer Foundations are by far the largest. Each maintains a wide network of overseas representatives whose duties include

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-- Arranging for Third World elites and officials to visit West Germany.

-- Promoting adult training centers.

-- Providing support for cooperatives and rural development projects.

-- Providing training for trade unionists and political party functionaries.

-- Promoting mass communication projects.

In 1978, the Ebert Foundation had 107 overseas representatives, including 19 in Latin America and 8 in the Caribbean (the largest number -- 45 -- were in black Africa). In the same year the Adenauer Foundation had 48 advisers and 1500 staffers abroad, who were engaged in 125 separate projects. Latin America was the most important region, accounting for 55 percent of the foreign budget. 20 of the 48 advisers, and the largest number of projects.

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Both foundations have worked extensively with trade unions. US diplomats in Bonn report that the Ebert Foundation operates on the assumption that trade unions are playing an increasing role in the formation of political and economic policies, especially in the Third World. The foundation sees its efforts in this sphere as being in direct competition with similar efforts by the Communist countries. The Ebert Foundation normally links its work in the labor field to its work with political parties in order to mobilize and motivate people interested in economic and social development. The Ebert Foundation works especially closely with member parties of the Socialist International, as well as parties ideologically close

¹ These figures are derived from various sources of the US Embassy.

to it. In Latin America, these include parties in Costa Rica, Venezuela, Mexico, Guatemala, El Salvador, Honduras, the Dominican Republic, Jamaica, and Nicaragua. [redacted]

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The Adenauer Foundation operates in a similar manner, focusing on political training and support for trade unions. The head of the Adenauer Foundation's foreign operations told US officials in 1980 that his organization was working closely with the COPEI Party in Venezuela and Christian Democratic groups in Guatemala, Costa Rica, Panama, Ecuador, Peru, Chile, Jamaica, and El Salvador. [redacted]

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Major Projects in the Caribbean Basin

The Adenauer Foundation's labor efforts have centered on the Conference of Latin American Workers (CLAT) and its affiliated organizations. Dietmar Mestemacher, the regional representative, told US officials in February that the foundation's policy toward CLAT was changing; the Foundation would try to ensure that CLAT only helps Christian Democratic parties and truly democratic institutions. He thought that CLAT had no clearly defined orientation and that its professed support for "Social Christianity" did not have any common meaning in Latin America.

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The Ebert Foundation sponsors the Centro de Estudios Democraticos de America Latina (CEDAL) in Costa Rica. CEDAL conducts courses and seminars which are attended by members of social democratic parties, trade unions, community development institutions, and youth organizations from all over Latin America. According to the foundation, CEDAL is to provide a platform for discussion of Latin America's problems. It claims some success in giving impulse to strengthening parties and labor unions in the area and to cooperation among them. [redacted]

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Financing Projects

The foundations receive general subsidies from the Federal Government in Bonn, as well as subsidies from state and local governments and from private contributors; they also receive federal funds for specific education and development aid projects. The foundations' financial data are tightly held.

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Official funds are divided on the basis of an agreement among the four parties represented in the Bundestag. The shares are roughly proportional to party strengths. Bonn Embassy sources say that, the Ebert and Adenauer Foundations receive roughly equal amounts, while the Seidel and Naumann Foundations receive smaller but equal sums. Each foundation applies to the

government for approval of individual projects to be funded by government appropriations through the Ministry for Economic Cooperation (responsible for foreign aid). The foundations must submit comprehensive accountings for their use of all official funds, whether earmarked or not. Official funds are tied to individual projects and may not be used for other purposes, although the foundations do have some "reprogramming" latitude between projects. Foundation officials also may be required to testify before Bundestag committees on their programs and activities. [REDACTED]

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[REDACTED] the four foundations proposed projects to promote socio-political education this year that totalled \$73 million. The approved West German budget for 1982 authorized \$57 million for this purpose. The attached chart, based on information submitted by the foundations to the government, shows those projects in the Caribbean Basin -- both newly-proposed and continuing -- for which the Adenauer and Ebert Foundations requested official funding in 1982. [REDACTED]

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Proposed Projects in the Caribbean BasinKonrad Adenauer Foundation

<u>Country</u>	<u>Project Type</u>	<u>Location</u>	<u>New or Continued</u>	<u>Cost (Million DM)</u>
Costa Rica	Development of a Central American Institute for trade union education	San Jose	New	3.6
Dominican Republic	Support for a national institute for political education.	Santo Domingo	Cont.	1.0
Venezuela	Support for an institute for social-science research	Caracas	New	1.5
Regional	Seminars on politico-economic topics for politicians, businessmen, journalists and union leaders.	Various	New	.9
Regional	Measures to coordinate training and education for small and medium businessmen in the Andean Region	Bogota	Cont.	.6

Fredrich Ebert Foundation

Venezuela	Social Sciences reserach institute	Caracas	New	1.0
Mexico	Cooperation with economic reseach institutes	Mexico City	New	2.0

<u>Country</u>	<u>Project</u>	<u>Location</u>	<u>New or Continued</u>	<u>Cost (Million DM)</u>
Regional	Socio-political education and training in the Caribbean	Kingston	New	2.0
Regional	Support for Latin American trade union groups at the national level	Various	New	4.0
Regional	Political Information	Caracas	New	3.0

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